



**V2Y CORPORATION LTD.**  
(Incorporated in Singapore)  
(Company Registration No. 201717972D)

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**CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS AND FULL YEAR ENDED**

**31 DECEMBER 2023**

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This announcement has been prepared by V2Y Corporation Ltd. (the “Company”) and its contents have been reviewed by the Company’s Sponsor, RHT Capital Pte. Ltd. for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (“the SGX-ST”).

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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**Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income for the 6 Months and Full Year Ended 31 December 2023**

		Group					
		2H2023	2H2022	+ / (-)	FY2023	FY2022	+ / (-)
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
	Note						
<b>Revenue</b>	<b>4</b>	<b>98</b>	132	(25.8)	<b>215</b>	304	(29.3)
Cost of sales		<b>(62)</b>	(61)	1.6	<b>(119)</b>	(195)	(39.0)
<b>Gross Profit</b>		<b>36</b>	71	(49.3)	<b>96</b>	109	(11.9)
Other income	<b>5</b>	<b>106</b>	20	N.M.	<b>118</b>	35	N.M.
Distribution and selling costs		-	(1)	N.M.	-	(1)	N.M.
Administrative expenses		<b>(537)</b>	(670)	(19.9)	<b>(1,109)</b>	(1,607)	(31.0)
Other operating expenses	<b>6</b>	<b>(11)</b>	(137)	(92.0)	<b>(15)</b>	(795)	(98.1)
Finance costs		<b>(5)</b>	(7)	(28.6)	<b>(11)</b>	(13)	(15.4)
<b>Loss before income tax</b>	<b>7</b>	<b>(411)</b>	(724)	(43.2)	<b>(921)</b>	(2,272)	(59.5)
Income tax credit	<b>8</b>	-	-	N.M.	-	87	N.M.
<b>Loss after income tax</b>		<b>(411)</b>	(724)	(43.2)	<b>(921)</b>	(2,185)	(57.8)
<i>Item that may be reclassified subsequently to profit or loss:</i>							
Exchange differences on translation of foreign operations		-	*	N.M.	-	*	N.M.
<b>Total comprehensive income for the period / year</b>		<b>(411)</b>	(724)	(43.2)	<b>(921)</b>	(2,185)	(57.8)
<b>Loss net of tax attributable to:</b>							
Owners of the Company		<b>(411)</b>	(724)	(43.2)	<b>(921)</b>	(2,185)	(57.8)
Non-controlling interest		-	-	-	-	-	-
<b>Loss for the period / year</b>		<b>(411)</b>	(724)	(43.2)	<b>(921)</b>	(2,185)	(57.8)
Total comprehensive income for the period / year							
Owners of the Company		<b>(411)</b>	(724)	(43.2)	<b>(921)</b>	(2,185)	(57.8)
Non-controlling interests		-	-	-	-	-	-
<b>Total comprehensive income for the period / year</b>		<b>(411)</b>	(724)	(43.2)	<b>(921)</b>	(2,185)	(57.8)

N.M. - Denotes not meaningful

\* Less than S\$1,000

## Condensed Interim Statements of Financial Position

		Group		Company	
	Note	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
		S\$'000	S\$'000	S\$'000	S\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		664	1,623	533	1,266
Trade and other receivables	10	111	207	7	17
Deferred service costs	11	85	49	-	-
Total current assets		860	1,879	540	1,283
<b>Non-current assets</b>					
Deferred service costs	11	63	25	-	-
Plant and equipment		-	-	-	-
Right-of-use assets		-	-	-	-
Goodwill		-	-	-	-
Intangible assets	12	-	-	-	-
Investment in a subsidiary		-	-	-	-
Total non-current assets		63	25	-	-
<b>Total assets</b>		<b>923</b>	<b>1,904</b>	<b>540</b>	<b>1,283</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Current liabilities</b>					
Trade and other payables	13	333	386	339	217
Bank borrowing	14	101	99	-	-
Provision	15	1	17	-	-
Deferred service revenue	16	315	224	-	-
Lease liabilities		7	45	-	-
Total current liabilities		757	771	339	217
<b>Non-current liabilities</b>					
Bank borrowing	14	148	249	-	-
Lease liabilities		7	38	-	-
Deferred service revenue	16	148	62	-	-
Deferred tax liabilities		-	-	-	-
Total non-current liabilities		303	349	-	-
<b>Capital and reserves</b>					
Share capital	17	2,935	2,935	2,935	2,935
Other reserve	18	792	792	792	792
Translation reserve		-	-	-	-
Accumulated losses		(3,864)	(2,943)	(3,526)	(2,661)
Total equity		(137)	784	201	1,066
<b>Total liabilities and equity</b>		<b>923</b>	<b>1,904</b>	<b>540</b>	<b>1,283</b>

\* Less than S\$1,000

## Condensed Interim Consolidated Statement of Cash Flows

	Group	
	FY2023	FY2022
	S\$'000	S\$'000
<b>Operating activities</b>		
Loss before income tax	(921)	(2,272)
<u>Adjustments for:</u>		
Amortisation of intangible assets	-	193
Bad debts written off	-	40
Gain on disposal of plant and equipment	(4)	-
Depreciation of right-of-use assets	2	49
Depreciation of plant and equipment	-	13
Impairment loss on plant and equipment	-	12
Impairment loss on right-of-use assets	5	92
Impairment loss on intangible assets	-	322
Impairment loss on goodwill	-	329
Interest expense	11	13
Interest income	-	(2)
Reversal of non-trade accruals	(45)	-
Reversal of provision	(16)	-
Write off of lease liabilities from early termination	(36)	-
Operating cash flows before working capital changes	<u>(1,004)</u>	<u>(1,211)</u>
Trade and other receivables	273	176
Trade and other payables	(82)	(732)
Cash used in operations, representing net cash used in operating activities	<u>(813)</u>	<u>(1,767)</u>
<b>Investing activity</b>		
Proceeds from disposal of plant and equipment, representing cash from investing activity	<u>4</u>	<u>-</u>

**Condensed Interim Consolidated Statement of Cash Flows (continued)**

	<b>Group</b>	
	<b>FY2023</b>	<b>FY2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<b>Financing activities</b>		
Proceeds from issuance of ordinary shares	-	1,908
Repayment of principal portion of lease liabilities	<b>(40)</b>	(42)
Repayment of bank borrowing	<b>(99)</b>	(96)
Interest paid	<b>(11)</b>	(13)
<b>Net cash (used in) / generated from financing activities</b>	<b>(150)</b>	1,757
Net decrease in cash and cash equivalents	<b>(959)</b>	(10)
Cash and cash equivalents at beginning of the year	<b>1,623</b>	1,624
Effects of exchange rate changes on the balance of cash held in foreign currencies	-	9
<b>Cash and cash equivalents at end of the year</b>	<b>664</b>	1,623

**Condensed Interim Statements of Changes in Equity**

<u>Group</u>	<u>Share capital</u>	<u>Other reserve</u>	<u>Translation reserve</u>	<u>Accumulated losses</u>	<u>Total equity</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<b>Balance as at 1 Jan 2023</b>	<b>2,935</b>	<b>792</b>	<b>-</b>	<b>(2,943)</b>	<b>784</b>
<b><i>Total comprehensive income for the year</i></b>					
Loss for the financial year	-	-	-	(921)	(921)
Other comprehensive income	-	-	-	-	-
	-	-	-	(921)	(921)
<b>Balance as at 31 Dec 2023</b>	<b>2,935</b>	<b>792</b>	<b>-</b>	<b>(3,864)</b>	<b>(137)</b>

Note: \* Less than S\$1,000

**Condensed Interim Statements of Changes in Equity (continued)**

<u>Group</u>	<u>Share capital</u>	<u>Other reserve</u>	<u>Translation reserve</u>	<u>Accumulated losses</u>	<u>Total equity</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Balance as at 1 Jan 2022	1,027	792	*	(758)	1,061
<i>Transaction with owners, recognise directly in equity</i>					
Issuance of shares	2,001	-	-	-	2,001
Capitalisation of expenses in relation to shares issuance	(93)	-	-	-	(93)
	1,908	-	-	-	1,908
<i>Total comprehensive income for the year</i>					
Loss for the financial year	-	-	-	(2,185)	(2,185)
Other comprehensive income	-	-	*	-	*
	-	-	-	(2,185)	(2,185)
<b>Balance as at 31 Dec 2022</b>	<b>2,935</b>	<b>792</b>	<b>-</b>	<b>(2,943)</b>	<b>784</b>

Note: \* Less than S\$1,000



**Condensed Interim Statements of Changes in Equity (continued)**

<u>Company</u>	Share capital	Other reserve	Retained earnings / (Accumulated losses)	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance as at 1 Jan 2023</b>	2,935	792	(2,661)	1,066
Loss for the financial year, representing total comprehensive income for the financial year	-	-	(865)	(865)
<b>Balance as at 31 Dec 2023</b>	<b>2,935</b>	<b>792</b>	<b>(3,526)</b>	<b>201</b>

<u>Company</u>	Share capital	Other reserve	Retained earnings / (Accumulated losses)	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Balance as at 1 Jan 2022</b>	1,027	792	628	2,447
<b><i>Transaction with owners, recognise directly in equity</i></b>				
Issuance of shares	2,001	-	-	2,001
Capitalisation of expenses in relation to shares issuance	(93)	-	-	(93)
	1,908	-	-	1,908
Loss for the financial year, representing total comprehensive income for the financial year	-	-	(3,289)	(3,289)
<b>Balance as at 31 Dec 2022</b>	<b>2,935</b>	<b>792</b>	<b>(2,661)</b>	<b>1,066</b>

## **Selected Notes to the Condensed Interim Financial Statements**

### **1. General**

V2Y Corporation Ltd. (the “Company”) (Registration No. 201717972D) is a limited liability company incorporated and domiciled in Singapore with its principal place of business and registered office at 16 Raffles Quay #17-03 Hong Leong Building Singapore 048581. The Company is listed on the Singapore Exchange Securities Trading Limited (“SGX-ST”).

The principal activity of the Company is that of investment holding company. The principal activities of the subsidiaries relates to those of the Insurtech business segment as disclosed on the cover page of this announcement.

The condensed interim financial statements as at and for the year ended 31 December 2023 comprise the Company and its subsidiaries (collectively the “Group”).

### **2. Basis of preparation**

The condensed interim financial statements for the year ended 31 December 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS (I)”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. Selected explanatory notes to the interim financial statements are included to provide information on events and transactions that are significant to an understanding of the changes in the Group’s financial position and the performance of the Group since the last audited financial statements for the year ended 31 December 2022.

There were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited financial statements, which were prepared in accordance with SFRS (I)s.

The condensed interim financial statements have been prepared on a going concern basis. The condensed interim financial statements are presented in Singapore dollars, which is also the Company’s functional currency.

## **Selected Notes to the Condensed Interim Financial Statements (continued)**

### **3. Use of estimates and judgements**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The key judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied in the consolidated financial statements for the year ended 31 December 2022. The following are the critical judgements (apart from those involving estimates covered below) that management has made in the process of applying the Group's accounting policies and which have a significant impact on the amount recognised in the consolidated financial statements:

#### Going concern

As at 31 December 2023, the Group is in a net current assets and net (liabilities)/ assets position of S\$103,000 and S\$(137,000) (31 December 2022: S\$1,108,000 and S\$784,000) respectively. Excluding non-cash items, the Group's net current assets and net assets position as at 31 December 2023 is S\$334,000 and S\$179,000 (31 December 2022: S\$1,300,000 and S\$1,013,000) respectively. The Group had experienced decrease in revenue mainly due to decrease in projects from its customers and new projects. While the Group continues to explore opportunities to expand and improve its business performance, the decrease in revenue may cast significant doubt on the Group's ability to continue as a going concern.

In assessing the appropriateness of the going concern assumptions of the Group, the management are of the view that the use of going concern assumption to prepare the financial statements is appropriate based on the following factors:

- (a) management of the Group have carried out a detailed review of the cash flow forecast of the Group for the next 15 months after the end of the financial year;
- (b) management will implement cost reduction measures and streamlining its business to manage cost; and
- (c) management is actively pursuing new business opportunities and corporate actions as well as fund raising options.

Notwithstanding the above, the Directors acknowledge that a material uncertainty exists that may cast a significant doubt on the Group's ability to continue as a going concern, which is highly dependent on the realization of the factors above to meet its debt obligations and working capital requirements.

Should the Group be unable to discharge their liabilities in the normal course of business which may lead to the Group being unable to continue in operational existence for the foreseeable future, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statements of financial position. In addition, the Group may need to reclassify non-current assets and non-current liabilities to current assets and current liabilities respectively. No such adjustments have been reflected in these consolidated financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates were revised and in any future period affected.

#### Allowance for impairment loss of trade receivables

The Group determines expected credit losses on trade receivables from third parties by making individual assessment of expected credit loss ("ECL") for long overdue balances and using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Notwithstanding the above, the Group evaluates the ECL on customers in financial difficulties separately. As at 31 December 2023, no allowance for expected credit losses was made as at 31 December 2023 and 31 December 2022.

## Selected Notes to the Condensed Interim Financial Statements (continued)

### 4. Revenue

	2H2023 S\$'000	2H2022 S\$'000	FY2023 S\$'000	FY2022 S\$'000
Insurtech:				
Commission recognised at a point in time	11	5	15	5
Sale of warranty support services recognised over time	87	127	200	299
	98	132	215	304

#### Seasonality of operations

The Group's operations are not affected significantly by seasonal or cyclical factors during the financial year.

### 5. Other income

	2H2023 S\$'000	2H2022 S\$'000	FY2023 S\$'000	FY2022 S\$'000
Gain on disposal of plant and equipment	4	-	4	
Reversal of non-trade accruals	45	-	45	-
Reversal of provision	16	-	16	-
Write off of lease liabilities from early termination	36	-	36	-
Government grants	-	4	3	7
Foreign exchange gains	-	-	-	12
Interest income	5	2	9	2
Others	-	14	5	14
	106	20	118	35

**Selected Notes to the Condensed Interim Financial Statements (continued)**

**6. Other operating expenses**

	2H2023	2H2022	FY2023	FY2022
	S\$'000	S\$'000	S\$'000	S\$'000
Bad debts written off	-	40	-	40
Impairment loss on goodwill	-	-	-	329
(Reversal of impairment loss) / Impairment loss on intangible assets	-	(29)	-	322
Impairment loss on plant and equipment	-	12	-	12
Impairment loss on right-of-use assets	5	92	5	92
Foreign exchange losses, net	6	22	10	-
	<u>11</u>	<u>137</u>	<u>15</u>	<u>795</u>

## Selected Notes to the Condensed Interim Financial Statements (continued)

### 7. Loss before income tax

In addition to the charges and credits disclosed elsewhere in the notes to the statement of profit or loss, the above includes the following charges:

	2H2023	2H2022	FY2023	FY2022
	S\$'000	S\$'000	S\$'000	S\$'000
Amortisation of intangible assets	-	1	-	193
Depreciation of plant and equipment	-	6	-	13
Depreciation of right-of-use assets	2	29	2	49
Directors' fees	88	71	174	172
Impairment loss on goodwill	-	-	-	329
Reversal of non-trade accruals	(45)	-	(45)	-
(Reversal of impairment loss) / Impairment loss on intangible assets	-	(29)	-	322
Impairment loss on plant and equipment	-	12	-	12
Impairment loss on right-of-use assets	5	92	5	92
Professional fees	114	136	238	237
Staff costs (including directors' remuneration)	313	334	660	915

**Selected Notes to the Condensed Interim Financial Statements (continued)**

**8. Income tax credit**

The Group calculates the period income tax credit using the tax rate that would be applicable to the expected total annual earnings. The major components of the income tax credit in the condensed interim consolidated statement of profit or loss are as follow:

	<b>2H2023</b>	<b>2H2022</b>	<b>FY2023</b>	<b>FY2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Corporate income tax	-	-	-	-
Deferred tax credit	-	-	-	87
Income tax credit recognised in profit or loss	-	-	-	87

## Selected Notes to the Condensed Interim Financial Statements (continued)

### 9. Segment information

For purposes of resource allocation and assessment of segment performance, the Group's chief operating decision makers have focused on the business operating units which in turn are segregated based on the type of goods and services supplied.

Operating segments are aggregated into a single reportable operating segment if they have similar economic characteristics, such as long-term average gross margins, and are similar in respect of nature of services and process, type of customers, and if applicable, the nature of the regulatory environment.

The Group has two reportable operating segments:

- Insurtech – providing third party administration and value-added services to brand partners in the computer, communication, and consumer electronic sector, manage and execute their extended warranty and accidental damage protection programs.
- Investment holding – relates to investment holding company.

	Insurtech S\$'000	Investment holding S\$'000	Total S\$'000
<b>2H2023</b>			
<b>Revenue</b>			
Segment revenue	98	-	98
<b>Results</b>			
Segment results	(86)	(415)	(501)
Other income			106
Other operating expenses			(11)
Finance costs			(5)
Loss before income tax			(411)
Income tax credit			-
Loss for the period			(411)
<b>Other material non-cash items</b>			
Amortisation of intangible assets	-	-	-
Bad debts written off	-	-	-
Depreciation of plant and equipment	-	-	-
Depreciation of right-of-use assets	(2)	-	(2)
Gain on disposal of plant and equipment	4	-	4
Impairment loss on goodwill	-	-	-
Impairment loss on intangible assets	-	-	-
Impairment loss on plant and equipment	-	-	-
Impairment loss on right-of-use assets	(5)	-	(5)
Reversal of non-trade accruals	45	-	45
Reversal of provision	16	-	16
Write off of lease liabilities from early termination	36	-	36
<b>Capital expenditure</b>			
Plant and equipment	-	-	-
Right-of-use-assets	-	-	-
Intangible assets	-	-	-



## Selected Notes to the Condensed Interim Financial Statements (continued)

### 9. Segment information (continued)

	Insurtech S\$'000	Investment holding S\$'000	Total S\$'000
<b>FY2023</b>			
<b>Revenue</b>			
Segment revenue	215	-	215
<b>Results</b>			
Segment results	(185)	(828)	(1,013)
Other income			118
Other operating expenses			(15)
Finance costs			(11)
Loss before income tax			(921)
Income tax credit			-
Loss for the year			(921)
<b>Other material non-cash items</b>			
Amortisation of intangible assets	-	-	-
Bad debts written off	-	-	-
Depreciation of plant and equipment	-	-	-
Depreciation of right-of-use assets	(2)	-	(2)
Gain on disposal of plant and equipment	4	-	4
Impairment loss on goodwill	-	-	-
Impairment loss on intangible assets	-	-	-
Impairment loss on plant and equipment	-	-	-
Impairment loss on right-of-use assets	(5)	-	(5)
Reversal of non-trade accruals	45	-	45
Reversal of provision	16	-	16
Write off of lease liabilities from early termination	36	-	36
<b>Capital expenditure</b>			
Plant and equipment	-	-	-
Right-of-use-assets	-	-	-
Intangible assets	-	-	-

## Selected Notes to the Condensed Interim Financial Statements (continued)

### 9. Segment information (continued)

	Insurtech S\$'000	Investment holding S\$'000	Total S\$'000
<b>2H2022</b>			
<b>Revenue</b>			
Segment revenue	132	-	132
<b>Results</b>			
Segment results	(205)	(395)	(600)
Other income			20
Other operating expenses			(137)
Finance costs			(7)
Loss before income tax			(724)
Income tax credit			-
Loss for the period			(724)
<b>Other material non-cash items</b>			
Allowances for expected credit losses	-	-	-
Amortisation of intangible assets	(1)	-	(1)
Bad debts written off	(40)	-	(40)
Depreciation of plant and equipment	-	(6)	(6)
Depreciation of right-of-use assets	(23)	(6)	(29)
Impairment loss on goodwill	-	-	-
Impairment loss on intangible assets	-	-	-
Impairment loss on plant and equipment	(1)	(11)	(12)
Impairment loss on right-of-use assets	(92)	-	(92)
Reversal of non-trade accruals	-	-	-
Reversal of provision	-	-	-
Write off of lease liabilities	-	-	-
<b>Capital expenditure</b>			
Plant and equipment	-	-	-
Right-of-use-assets	-	-	-
Intangible assets	-	-	-

## Selected Notes to the Condensed Interim Financial Statements (continued)

### 9. Segment information (continued)

	Insurtech S\$'000	Investment holding S\$'000	Total S\$'000
<b>FY2022</b>			
<b>Revenue</b>			
Segment revenue	304	-	304
<b>Results</b>			
Segment results	(651)	(848)	(1,499)
Other income			35
Other operating expenses			(795)
Finance costs			(13)
Loss before income tax			(2,272)
Income tax credit			87
Loss for the year			(2,185)
<b>Other material non-cash items</b>			
Allowances for expected credit losses	-	-	-
Amortisation of intangible assets	(193)	-	(193)
Bad debts written off	(40)	-	(40)
Depreciation of plant and equipment	-	(13)	(13)
Depreciation of right-of-use assets	(25)	(24)	(49)
Impairment loss on goodwill	(329)	-	(329)
Impairment loss on intangible assets	(322)	-	(322)
Impairment loss on plant and equipment	(1)	(11)	(12)
Impairment loss on right-of-use assets	(92)	-	(92)
Reversal of non-trade accruals	-	-	-
Reversal of provision	-	-	-
Write off of lease liabilities	-	-	-
<b>Capital expenditure</b>			
Plant and equipment	-	-	-
Right-of-use-assets	-	-	-
Intangible assets	-	-	-

## Selected Notes to the Condensed Interim Financial Statements (continued)

### 9. Segment information (continued)

	Insurtech S\$'000	Investment holding S\$'000	Total S\$'000
<b>31 Dec 2023</b>			
<b>Assets and liabilities</b>			
Segment assets	383	540	923
Segment liabilities	850	210	1,060
<b>31 Dec 2022</b>			
<b>Assets and liabilities</b>			
Segment assets	626	1,278	1,904
Segment liabilities	909	211	1,120

#### ***Geographical information***

The Group's revenue from external customers and information about its segment assets by geographical location are detailed below:

	Revenue				Non-current assets	
	2H2023 S\$'000	2H2022 S\$'000	FY2023 S\$'000	FY2022 S\$'000	31 Dec 2023 S\$'000	31 Dec 2022 S\$'000
Singapore	98	132	215	304	63	25

#### ***Major customer information***

The Group's revenue derived for FY2023 from 1 customer (FY2022: 2 customers) who individually accounted for 10% or more of the Group's revenue.

## Selected Notes to the Condensed Interim Financial Statements (continued)

### 10. Trade and other receivables

	Group		Company	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Trade receivables</b>				
- Third parties	90	131	-	-
<b>Other receivables</b>				
- Third parties	13	56	-	5
- Subsidiary	-	-	1,157	1,157
Less: Allowance for other receivables from a subsidiary	-	-	(1,157)	(1,157)
Deposits	1	8	-	-
Goods and services tax receivables	-	-	6	5
Interest receivables	-	2	-	2
Prepayments	7	10	1	5
<b>Total trade and other receivables</b>	<b>111</b>	<b>207</b>	<b>7</b>	<b>17</b>

### 11. Deferred service costs

Cost relating to warranty services is recognized over time although the Group pays up-front in full for these services. These costs are amortised on a straight-line basis over the period of warranty services.

### 12. Intangible assets

Intangible assets were fully impaired in the financial year ended 31 December 2022. There is no amortisation of intangible assets and no addition to intangible assets for the year ended 31 December 2023 and 31 December 2022.

### 13. Trade and other payables

	Group		Company	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	S\$'000	S\$'000	S\$'000	S\$'000
<b>Trade payables</b>				
- Third parties	74	60	-	-
<b>Other payables</b>				
- Third parties	3	17	*	15
- Subsidiaries	-	-	129	-
Accruals	252	300	210	202
Goods and services tax payables	4	9	-	-
Deferred government grant	-	-	-	-
<b>Total trade and other payables</b>	<b>333</b>	<b>386</b>	<b>339</b>	<b>217</b>

\* Less than S\$1,000.

### 14. Bank Borrowing

The bank borrowing is denominated in SGD and is secured by corporate guarantee issued by the Company to a subsidiary, and repayable on monthly basis and fully repay by 2026.

## **Selected Notes to the Condensed Interim Financial Statements (continued)**

### **15. Provision**

Provision was made for reinstatement costs, which is the estimated costs of dismantlement, removal or restoration of leased office to its original conditions as stipulated in the terms and conditions of lease contract. Provision amounting to S\$16,000 were reversed in current year as the Group had moved to a smaller unit in current year and the reinstatement costs were lower. No provision was utilised in current year as there is no reinstatement required by the landlord.

### **16. Deferred service revenue**

Revenue relating to warranty services is recognised over time although the customer pays up-front in full for these services. A contract liability is recognised for revenue relating to the warranty services at the time of the initial sales transaction and is amortised over the service period. Deferred service revenue as at the end of each reporting period is expected to be utilised within a period of 12 to 36 months.

### **17. Share capital**

	<b>Group and Company</b>	
	<b>Number of shares</b>	<b>S\$'000</b>
Issued and paid-up share capital		
Issued and paid-up share capital		
As at 1 Jan 2023 and as at 31 Dec 2023	353,885,908	2,935
As at 1 Jan 2022	305,895,908	1,027
Placement of shares	47,990,000	2,001
Capitalisation of expenses in relation to shares issuance	-	(93)
As at 31 Dec 2022	353,885,908	2,935

On 14 March 2022, the Company had allotted and issued an aggregate of 47,990,000 new ordinary shares at a price of S\$0.0417 per share, representing an increase in the share capital of approximately S\$2,001,000.

The Company had no treasury shares as at 31 December 2023 and 31 December 2022.

### **18. Other reserve**

This represents the excess of the Convertible Notes reserve and principal amount of the Convertible Notes upon conversion to share capital of the Company recognised in prior financial years.

## Selected Notes to the Condensed Interim Financial Statements (continued)

### 19. Earnings per share

	2H2023	2H2022	FY2023	FY2022
Loss attributable to owners of the Company (S\$'000)	(411)	(724)	(921)	(2,185)
Weighted average number of shares	353,885,908	344,419,387	353,885,908	344,419,387
Basic and diluted earnings per share (cents)	<u>(0.12)</u>	<u>(0.21)</u>	<u>(0.26)</u>	<u>(0.63)</u>

Basic and diluted earnings per share for the respective financial periods are computed based on the weighted average number of shares in issue during the respective financial periods.

### 20. Net asset value

	Group		Company	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Net asset value (S\$'000)	(137)	784	201	1,066
Net asset value per share (cents)	<u>(0.04)</u>	<u>0.22</u>	<u>0.06</u>	<u>0.30</u>

The computation of net assets value per share, the total number of issued shares excluding treasury shares is 353,885,908 (31 Dec 2022: 353,885,908).

The Company has no treasury shares as at 31 December 2023 and 31 December 2022.

## **Other Information Required by Appendix 7C of the Catalyst Rules**

### **Review**

The figures in the condensed interim financial statements have not been audited or reviewed by the Company's auditors.

Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion: -

**a) Updates on efforts taken to resolve each outstanding audit issue.**

Not applicable as the Group's latest financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

**b) Confirmation from Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

Not applicable.

### **Review of Group Performance**

#### **Statement of Comprehensive Income**

##### ***Revenue***

The Group's revenue from its Insurtech business segment decreased by 25.8% or S\$34,000, from S\$132,000 in 2H2022 to S\$98,000 in 2H2023. The Group's revenue for the FY2023 had also decreased by 29.3% or S\$89,000, from S\$304,000 in FY2022 to S\$215,000 in FY2023. The decrease in revenue was mainly due to decrease in new projects and revenue from its customers.

Cost of sales comprised of fixed and variable costs. Cost of sales for 2H2023 had mainly remained consistent with 2H2022. The Group's cost of sales for the FY2023 had decreased by 39.0% or S\$76,000, from S\$195,000 in FY2022 to S\$119,000 in FY2023 mainly due to the decrease in new projects and revenue from its customers.

##### ***Gross profit and gross profit margin***

The Group's gross profit decreased by 49.3% or S\$35,000, from S\$71,000 in 2H2022 to S\$36,000 in 2H2023. The Group's gross profit for the FY2023 decreased by 11.9% or S\$13,000, from S\$109,000 in FY2022 to S\$96,000 in FY2023. The decrease in gross profit is mainly due to the decrease in revenue.

The Group's gross profit margin increased from 35.9% in FY2022 to 44.7% in FY2023. The increase was mainly due to higher margin in Group's project.

##### ***Other income***

Other income increased by 430.0% in FY2023 as compared to FY2022. The increase was mainly due to the write off of lease liabilities of S\$36,000 due to the early termination of office rental, reversal of non-trade accruals of S\$45,000 and gain on disposal of plant and equipment of S\$4,000. As part of the Group's cost saving measures, the Group has subsequently rented an office unit with smaller floor area.



## **Review of Group Performance (continued)**

### **Statement of Comprehensive Income (continued)**

#### ***Distribution and selling costs***

There had been no significant differences in distribution and selling costs incurred during FY2023 and FY2022.

#### ***Administrative expenses***

Administrative expenses decreased by 19.9% or S\$133,000 to S\$0.5 million in 2H2023 as compared to S\$0.7 million in 2H2022. Administrative expenses had also decreased by 31.0% or S\$0.5 million to S\$1.1 million in FY2023 as compared to S\$1.6 million in FY2022.

The decrease in administrative expenses was mainly due to the decrease in payroll expenses of S\$0.2 million arising from decrease in number of headcount for the Group during FY2023 and decrease in depreciation and amortisation expenses of S\$0.3 million in FY2023 as intangible assets and plant and equipment were fully impaired in FY2022.

#### ***Other operating expenses***

The Group's other operating expenses had decreased by 92.0% or S\$126,000 to S\$11,000 in 2H2023 as compared to S\$137,000 in 2H2022 mainly due to the impairment loss right-of-use assets of S\$92,000 recognised in 2H2022.

Other operating expenses for FY2023 had decreased by 98.1% or S\$780,000, mainly due to the non-recurring expenses arising from impairment loss for intangible assets of S\$327,000, impairment loss on goodwill of S\$329,000 and impairment loss on right-of-use assets of S\$92,000 in FY2022.

#### ***Finance costs***

The Group's finance costs had decreased by 28.6% in 2H2023 as compared to 2H2022, and also decreased by 15.4% in FY2023 as compared to FY2022. The decreased is mainly due to lower loan principal from monthly repayment and there is no change in the cost of borrowing for the Group.

#### ***Income tax credit***

Income tax credit in FY2022 arise from the full unwinding of deferred tax liabilities associated with the acquisition of Insurtech Subsidiary.

#### ***Loss for the period / year***

The loss for the 2H2023 decreased by S\$0.3 million, from a loss of S\$0.7 million in 2H2022 to S\$0.4 million in 2H2023. The decrease in loss for the period was mainly due to the decrease in other operating expenses of S\$0.1 million and administrative expenses of S\$0.1 million.

The loss for the FY2023 decreased by S\$1.4 million, from a loss of S\$2.3 million in FY2022 to S\$0.9 million in FY2023. The decrease in loss for FY2023 was mainly due to the decrease in other operating expenses of S\$0.8 million and administrative expenses of S\$0.5 million, partly offset by increase in other income of S\$0.1 million.

## **Review of Group Performance (continued)**

### **Statement of Financial Position**

#### ***Current assets***

The Group's current assets decreased from S\$1.9 million as at 31 December 2022 to S\$0.8 million as at 31 December 2023, mainly attributed to decrease in cash and cash equivalent of S\$1.0 million and trade and other receivables of S\$0.1 million. Cash and cash equivalent decreased as a result of cash flows used mainly in operating activities and repayment of bank borrowings.

#### ***Non-current assets***

The Group's non-current assets comprise deferred service costs, plant and equipment, intangible assets, goodwill, and right-of-use assets. In the financial year ended 31 December 2022, the Group had fully impaired its plant and equipment, intangible assets, goodwill and right-of-use assets. Deferred service costs relate to warranty services for the Insurtech business segment which were paid up-front in full and amortised over the service period.

#### ***Current liabilities***

The Group's current liabilities decreased from S\$771,000 as at 31 December 2022 to S\$757,000 as at 31 December 2023, mainly attributed to decrease in trade and other payables decreased of S\$53,000 and decreased in lease liabilities of S\$38,000, partly offset by increase in deferred service revenue of S\$91,000.

Deferred service revenue relates to service billings for the Insurtech business segment which is recognised over the service period.

#### ***Non-current liabilities***

The Group's non-current liabilities decreased by S\$46,000 from S\$349,000 as at 31 December 2022 to S\$303,000 as at 31 December 2023. The decrease was mainly due to the decrease in bank borrowings and lease liabilities of S\$101,000 and S\$31,000 respectively offset by the increase in deferred service revenue of S\$86,000.

#### ***Equity***

As at 31 December 2023, the Group's equity of S\$(0.2) million includes mainly issued and full paid-up share capital of S\$2.9 million, other reserve of S\$0.8 million and accumulated losses of S\$3.9 million.

### **Statement of Cash Flows**

The Group used S\$0.8 million in its operating activities in FY2023 as compared to S\$1.8 million in FY2022, mainly due to negative operating cash flows before movement in working capital of S\$1.0 million, adjusted for net working capital inflows of S\$0.2 million arising mainly from the collection from trade and other receivables of S\$0.3 million, partly offset by payment of trade and other payables of S\$0.1 million.

Net cash inflow from investing activities was S\$4,000 in FY2023 as the Group disposal of some of its inessential office equipment during the year.

Net cash outflow from financing activities of S\$150,000 in FY2023 mainly due to repayment of bank borrowings and interest expenses totaling S\$99,000, repayment of principal portion of lease liabilities of S\$40,000 and payment of interest expenses of S\$11,000.

## **Prospect statement**

The Group has not issued any prospect statement or forecast.

### **Commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

In the audited financial statements for the financial year ended 31 December 2022, the Group's independent auditors, BDO LLP, had included a Material Uncertainty Related to Going Concern section in the Independent Auditors' Report.

The Group will continue its effort to explore opportunities to expand locally and abroad to improve its business performance. The Group is currently in the process of tendering contracts with new customers and also reaching out to insurers overseas for administration projects, as well as expanding its retail network locally to distribute its products such as Device Care and Extended Care.

## **Dividends**

- a) **Current Financial Period Reported on**  
**Any dividend declared for the current financial period reported on?**
- No.
- b) **Corresponding Period of the Immediately Preceding Financial Year**  
**Any dividend declared for the corresponding period of the immediately preceding financial year?**
- No.
- c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**
- Not applicable.
- d) **Date payable**
- Not applicable.
- e) **Record date**
- Not applicable.

### **If no dividend has been declared/recommended, a statement to that effect**

No dividend had been recommended or declared for the FY2023 considering the Group's and Company's cash flow requirement for future business development.

## Interested person transactions (“IPT”)

The Group has not obtained a general mandate from shareholders for IPT and there was no IPT entered into during FY2023.

## Use of placement proceeds

Pursuant to the Company’s placement completed on 14 March 2022, the Company received net proceeds of approximately S\$1.9 million (the “**Net Proceeds**”). As at the date of this announcement, the Net Proceeds have been utilised as following:

	Amount allocated	Amount re-allocated on 24 March 2023	Amount utilised	Balance
	S\$’000	S\$’000	S\$’000	S\$’000
Acquisition expenses	978	21	(21)	-
Working capital	903	1,860	(1,713)*	147
	<u>1,881</u>	<u>1,881</u>	<u>(1,734)</u>	<u>147</u>

\* Breakdown of amount utilised for working capital:

	S\$’000
Employee benefits	833
Directors’ fees	352
Professional fees & compliance costs	419
Other operating expenses	109
Total	<u>1,713</u>

## A breakdown of sales

	Group		
	FY2023 S\$’000	FY2022 S\$’000	+ / (-) %
<b>First Half</b>			
Revenue reported	117	172	(32.0)
Loss after tax reported	(510)	(1,461)	(65.1)
<b>Second Half</b>			
Revenue reported	98	132	(25.8)
Loss after tax reported	(411)	(724)	(43.2)

## Other Disclosures

- a) **Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers pursuant to Rule 720(1) of the SGX Listing Manual.

- b) **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(10), we confirm that there is no person occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholders of the Company.

**BY ORDER OF THE BOARD**

V2Y Corporation Ltd.

**Lim Chuan Poh**

Non-Executive Director and Independent Chairman

**Ong Shen Chieh (Wang Shengjie)**

Executive Director and Chief Executive Officer

Date: 28 February 2024